

# INFORMATION REPORT    INFORMATION REPORT

## CENTRAL INTELLIGENCE AGENCY

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S-E-C-R-E-T

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1. No change has been noted recently in the mood of the population of the Russian zone of Germany.
2. It is expected that May Day will be celebrated in the usual Communist fashion, with the accent on the defense of East Germany. Rumors of plans for provocations in West Berlin are current but unconfirmed.
3. There is a rumor that railroad workers in the Soviet zone will use the May-Day demonstrations as a pretext for causing a complete stoppage of rail traffic. The Communists are concerned by this rumor and are attempting to identify the leaders of such a resistance action.
4. Students wishing to attend technical schools must pledge themselves to a tour of duty with the KVP or to participation in the paramilitary training of the GST.
5. The managements of those publicly owned enterprises which operated with large deficits in 1954 are being investigated. Particular attention is being paid to the former SAG plants. Supposedly all plants and firms reporting a deficit of more than 5,000,000 marks will be investigated. In connection with this action a number of dismissals, arrests, and suicides have been reported from the Thälmann-Werk (Krupp-Gruson) in Magdeburg, the Industrie-Werk Ludwigsfelde, the EAW Stalin (AEG) in Berlin, and the Kirow-Werk (Unruh und Liebig) in Leipzig.
6. A new state protective service has been established for installations owned by the SED. Only SED members may belong to this service, which is under the supervision of the Volkspolizei.
7. During March 1955 there were unsuccessful negotiations for additional food imports to East Germany from other countries of the Soviet bloc. New discussions have been initiated, but even if they are successful they will hardly result in the arrival of any imports during the period when the shortages will be the most severe, namely from May to July.

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STATE	X	ARMY	X	NAVY	X	AIR	X	TRI	X	AEC	X		X		X
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8. Applications for interzonal travel from the Soviet zone must now be submitted in writing, and must be investigated before the permission is granted. This measure is expected to help in preventing the flight of refugees from East to West Germany. The new procedure causes a delay of several days, whereas previously the permission was normally received in a few hours. Interzonal travel in private vehicles is permitted only to government personnel, SED Party members, and the like. Increased inspections of inland shipping are also in effect.
9. All employees of the more important publicly owned enterprises were allegedly required, late in April, to sign a pledge not to travel to West Berlin. Travel to West Germany is permitted only in important cases and after thorough vetting.
10. KVP recruiting officers in the Leipzig, Halle, and Merseburg areas are concentrating on the recruitment of female clerical personnel. Persons hired now are to report for duty on 1 July 1955. So far the quota has apparently not been met. This campaign may be preliminary to the activation of a third KVP corps (Korps Mitte).
11. The dismissal of supervisory personnel in the Ministry of Agriculture resulted in extremely low morale and a temporary work stoppage. The entire Ministry is undergoing a shake-up, and 15 section or branch chiefs are said to have been dismissed.

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